

HOUSE COMMITTEE OF REFERENCE AMENDMENT

Committee on Appropriations.

HB24-1340 be amended as follows:

1 Strike the Finance Committee Report, dated April 22, 2024, and
2 substitute:

3 "Amend printed bill, strike everything below the enacting clause and
4 substitute:

5 "SECTION 1. In Colorado Revised Statutes, **add** 39-22-560 as
6 follows:

7 **39-22-560. Tuition and fee tax credit for qualifying students**
8 **- tax preference performance statement - legislative declaration -**
9 **definitions - repeal.** (1) (a) THE GENERAL ASSEMBLY FINDS,
10 DETERMINES, AND DECLARES THAT:

11 (I) THE COST OF HIGHER EDUCATION AND STUDENT DEBT CAN BE
12 A DETERRENT FOR MANY STUDENTS TO PURSUE POST-SECONDARY
13 CREDENTIALS; AND

14 (II) TO CONTINUE TO STRENGTHEN THE EDUCATIONAL PIPELINE, A
15 FINANCIAL INCENTIVE SHOULD BE PROVIDED TO LOW- AND MIDDLE-
16 INCOME POST-SECONDARY COLORADO STUDENTS.

17 (b) IN ACCORDANCE WITH SECTION 39-21-304 (1), WHICH
18 REQUIRES EACH BILL THAT CREATES A NEW TAX EXPENDITURE TO INCLUDE
19 A TAX PREFERENCE PERFORMANCE STATEMENT AS PART OF A STATUTORY
20 LEGISLATIVE DECLARATION, THE GENERAL ASSEMBLY FINDS AND
21 DECLARES THAT THE GENERAL LEGISLATIVE PURPOSES OF THIS TAX
22 EXPENDITURE ARE TO INDUCE CERTAIN DESIGNATED BEHAVIOR BY
23 TAXPAYERS AND PROVIDE TAX RELIEF FOR CERTAIN INDIVIDUALS.
24 SPECIFICALLY, THIS TAX EXPENDITURE IS INTENDED TO ENCOURAGE
25 ENROLLMENT IN COLORADO INSTITUTIONS OF HIGHER EDUCATION.

26 (c) THE GENERAL ASSEMBLY AND THE STATE AUDITOR SHALL
27 MEASURE THE EFFECTIVENESS OF THE INCENTIVE IN ACHIEVING THE
28 PURPOSE SPECIFIED IN SUBSECTION (1)(b) OF THIS SECTION BASED ON THE
29 NUMBER OF INCENTIVES THAT ARE CLAIMED.

30 (2) AS USED IN THIS SECTION, UNLESS THE CONTEXT OTHERWISE
31 REQUIRES:

32 (a) "COLORADO INSTITUTION OF HIGHER EDUCATION" MEANS:

33 (I) A PUBLIC, POST-SECONDARY INSTITUTION THAT IS GOVERNED
34 BY THE BOARD OF GOVERNORS OF THE COLORADO STATE UNIVERSITY
35 SYSTEM, THE BOARD OF REGENTS OF THE UNIVERSITY OF COLORADO, THE
36 BOARD OF TRUSTEES OF THE COLORADO SCHOOL OF MINES, THE BOARD OF
37 TRUSTEES OF THE UNIVERSITY OF NORTHERN COLORADO, THE BOARD OF
38 TRUSTEES OF ADAMS STATE UNIVERSITY, THE BOARD OF TRUSTEES OF
39 WESTERN COLORADO UNIVERSITY, THE BOARD OF TRUSTEES OF

1 COLORADO MESA UNIVERSITY, THE BOARD OF TRUSTEES OF FORT LEWIS
2 COLLEGE, THE BOARD OF TRUSTEES OF METROPOLITAN STATE UNIVERSITY
3 OF DENVER, OR THE STATE BOARD FOR COMMUNITY COLLEGES AND
4 OCCUPATIONAL EDUCATION;

5 (II) AN AREA TECHNICAL COLLEGE, AS DEFINED IN SECTION
6 23-60-103 (1); OR

7 (III) COLORADO MOUNTAIN COLLEGE AND AIMS COMMUNITY
8 COLLEGE.

9 (b) "ELIGIBLE STUDENT" MEANS AN INDIVIDUAL WHO HAS
10 MATRICULATED AT A COLORADO INSTITUTION OF HIGHER EDUCATION
11 WITHIN TWO YEARS OF COMPLETION OF HIGH SCHOOL GRADUATION OR AN
12 EQUIVALENT IN COLORADO, QUALIFIES FOR IN-STATE TUITION AS
13 PRESCRIBED IN ARTICLE 7 OF TITLE 23, HAS COMPLETED A FAFSA THAT
14 INDICATES THAT THE STUDENT'S HOUSEHOLD HAS A FEDERAL ADJUSTED
15 GROSS INCOME THAT IS NINETY THOUSAND DOLLARS OR LESS, IS ENROLLED
16 IN AT LEAST SIX CREDIT HOURS EACH SEMESTER OR TERM, AND HAS A
17 GRADE POINT AVERAGE OF 2.5 OR HIGHER.

18 (c) "INCENTIVE" MEANS A REFUNDABLE CREDIT AGAINST THE
19 INCOME TAXES IMPOSED BY THIS ARTICLE 22 THAT IS PROVIDED TO
20 QUALIFYING TAXPAYERS.

21 (d) "TAXPAYER" MEANS AN ELIGIBLE STUDENT WHO MEETS THE
22 CRITERIA OF SUBSECTION (4) OF THIS SECTION AND FILES AN INCOME TAX
23 RETURN PURSUANT TO THIS ARTICLE 22 OR AN INDIVIDUAL CLAIMING AN
24 ELIGIBLE STUDENT AS A DEPENDENT.

25 (3) FOR INCOME TAX YEARS COMMENCING ON OR AFTER JANUARY
26 1, 2025, BUT PRIOR TO JANUARY 1, 2030, AND SUBJECT TO THE
27 REQUIREMENTS OF SUBSECTION (4) OF THIS SECTION, A TAXPAYER IS
28 ALLOWED AN INCENTIVE AGAINST THE INCOME TAXES IMPOSED BY THIS
29 ARTICLE 22 IN AN AMOUNT EQUAL TO THE AMOUNT PAID BY THE
30 TAXPAYER IN TUITION AND FEES MINUS ANY SCHOLARSHIPS OR GRANTS
31 FOR EITHER THE FIRST YEAR OF STUDY OR SECOND YEAR OF STUDY IN
32 WHICH THE STUDENT IS ENROLLED IN A COLORADO INSTITUTION OF
33 HIGHER EDUCATION OR BOTH YEARS, AS PROVIDED ON THE TAX FILER'S
34 1098-T FORM.

35 (4) TO QUALIFY FOR THE INCENTIVE PROVIDED BY THIS SECTION,
36 AN ELIGIBLE STUDENT MUST:

37 (a) HAVE OBTAINED THE CREDIT HOURS AT A COLORADO
38 INSTITUTION OF HIGHER EDUCATION NECESSARY TO HAVE COMPLETED THE
39 FIRST YEAR OF STUDY OR SECOND YEAR OF STUDY, RESPECTIVELY, AS
40 DETERMINED BY THE INSTITUTION, DURING THE INCOME TAX YEAR FOR
41 WHICH THE INCENTIVE IS CLAIMED OR THE PRIOR CALENDAR YEAR;

42 (b) BE INCLUDED IN THE REPORT REQUIRED BY SUBSECTION (5) OF
43 THIS SECTION FILED BY A COLORADO INSTITUTION OF HIGHER EDUCATION

1 TO THE COLORADO DEPARTMENT OF REVENUE; AND

2 (c) BE ENROLLED IN AT LEAST SIX CREDIT HOURS DURING THE
3 SEMESTER OR TERM OF STUDY IN WHICH THE STUDENT CLAIMS THE
4 INCENTIVE.

5 (5) THE COLORADO DEPARTMENT OF HIGHER EDUCATION IS
6 REQUIRED BY MARCH 1, 2025, AND EVERY MARCH 1 THEREAFTER, TO
7 SUBMIT AN AGGREGATE REPORT OF ELIGIBLE STUDENTS WHO MEET THE
8 CRITERIA IN SUBSECTIONS (4)(a) AND (4)(c) OF THIS SECTION USING A
9 FORM CREATED BY THE DEPARTMENT OF REVENUE THAT INCLUDES THE
10 STUDENT'S TAX IDENTIFICATION NUMBER OR SOCIAL SECURITY NUMBER TO
11 VERIFY AGAINST EACH ELIGIBLE STUDENT'S 1098-T FORM INCLUDED WITH
12 THE QUALIFIED TAXPAYER'S STATE INCOME TAX RETURN.

13 (6) THE AMOUNT OF THE INCENTIVE ALLOWED UNDER THIS
14 SECTION THAT EXCEEDS THE TAXPAYER'S INCOME TAXES DUE IS REFUNDED
15 TO THE TAXPAYER.

16 (7) THIS SECTION IS REPEALED, EFFECTIVE DECEMBER 31, 2032.

17 **SECTION 2. Act subject to petition - effective date.** This act
18 takes effect at 12:01 a.m. on the day following the expiration of the
19 ninety-day period after final adjournment of the general assembly; except
20 that, if a referendum petition is filed pursuant to section 1 (3) of article V
21 of the state constitution against this act or an item, section, or part of this
22 act within such period, then the act, item, section, or part will not take
23 effect unless approved by the people at the general election to be held in
24 November 2024 and, in such case, will take effect on the date of the
25 official declaration of the vote thereon by the governor."."

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